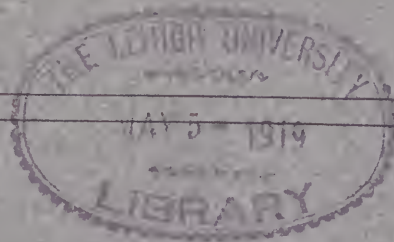


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1918



SIXTY-FIFTH REPORT

of the

Board of Directors

of the

Lehigh Valley Railroad Company

to the

Stockholders

Year Ended December 31, 1918

Lehigh Valley Railroad Company



Board of Directors

EBEN B. THOMAS, CHAIRMAN

GEORGE F. BAKER

SAMUEL T. BODINE

WILLIAM R. BUTLER

MORRIS L. CLOTHIER

HENRY B. COXE

FRED M. KIRBY

JAMES McLEAN

WILLIAM H. MOORE

DANIEL G. REID

ARTHUR W. SEWALL

EDWARD T. STOTESBURY

EDWARD E. LOOMIS, Ex-OFFICIO

Officers

E. E. LOOMIS.....PRESIDENT

J. A. MIDDLETON.....VICE PRESIDENT

E. H. BOLES.....GENERAL COUNSEL

D. G. BAIRD.....SECRETARY AND TREASURER

A. F. BAYFIELD.....AUDITOR

LEHIGH VALLEY RAILROAD COMPANY

Sixty-Fifth Report

Philadelphia, Pa., April 2, 1919.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith a report showing the financial condition of your Company on December 31, 1918, the United States Government having taken over the operation and maintenance of its transportation system on January 1, 1918.

As provided by the Federal Control Act, negotiations were entered into with the United States Railroad Administration which resulted on December 12, 1918, in the execution of a contract with the Director General of Railroads providing for an annual compensation of \$11,321,233.25, subject to minor adjustments, and which contract was approved by you at your meeting held November 14, 1918. None of the compensation for the year 1918 was paid during the year. The Administration, however, loaned to the Company \$2,000,000, for which the Company was obliged to deposit as collateral \$3,500,000 of its General Consolidated Bonds.

During the negotiation of the contract the Government's attention was called to the fact that the compensation allowed did not equitably reflect within \$900,000 per annum the true compensation the Company should be paid, for the following reasons:

First, because of the abnormal expense incurred by the Company during the chosen test period as a result of what is known as the Black Tom Explosion in 1916, when the Company was the innocent victim of an event wholly related to the war;

Second, for amounts set up in reserve accounts for maintenance of way and structures for the first six months of 1917, of which only 43% was actually expended; or, in other words, operating expenses were charged 57% more than was expended, and which amount should have been properly credited thereto;

Third, for additions and betterments to the road and new equipment, from which no benefits were reflected in the operating results of the test period, the Government having the benefit of these expenditures during the period of Federal control, and for which no compensation is allowed to the Company.

These claims were considered by the Administration, but were rejected with the statement that: "The standard return is found to be entirely adequate." As a result the Company is saddled with a similar loss every year their property remains under Federal control.

1918

LEHIGH VALLEY RAILROAD COMPANY

INCOME

The Income Account, compared with similar items for the preceding year, is as follows:

	1918	INCREASE	DECREASE
*Compensation due from the U. S. R. R. Administration under Federal control contract.	\$11,321,233.25		
OTHER CORPORATE INCOME:			
Miscellaneous rent income.....	\$12,941.72		\$2,447.41
Miscellaneous nonoperating physical property.....	225,318.45	\$40,219.39	
Separately operated properties—profit.....	116,820.00	2,971.32	
Dividend income (details, page 14).....	2,546,778.44		797,767.94
Income from funded securities (details, page 14).....	54,764.30		270,715.70
Income from unfunded securities and accounts.....	66,398.36		232,589.00
Income from sinking and other reserve funds.....	400.00		
Miscellaneous income.....	3,003.42		2,075.46
Total other corporate income.....	\$3,026,424.69		\$1,262,404.80
Gross income.....	\$14,347,657.94	\$305,944.07	
DEDUCTIONS FROM GROSS INCOME:			
Rent for leased roads (details, page 15).....	\$2,183,337.00	\$39,159.29	
Miscellaneous rent deductions.....	352,272.39		\$49,696.71
Miscellaneous tax accruals.....	492,500.00	394,177.55	
Interest on funded debt (details, page 15).....	4,038,758.34	248,681.68	
Interest on unfunded debt.....	273,483.61	110,684.46	
Maintenance of Investment Organization.....	116,768.37	116,768.37	
Miscellaneous Income Charges.....	297,704.02	5,194.16	
Total deductions from gross income.....	\$7,754,823.73	\$864,968.80	
Net income.....	\$6,592,834.21		\$559,024.73

*None of this amount had been received from the U. S. Government at the close of the year.

PROFIT AND LOSS ACCOUNT

Dividend Appropriations of Surplus:		Balance December 31, 1917.....	\$26,112,179.27
Dividend paid April 1, 1918.....\$1,515,200.00		Balance transferred from income.....	6,592,834.21
Dividend paid July 1, 1918..... 1,515,200.00		Miscellaneous credits.....	21,253.64
Dividend paid October 5, 1918..... 1,515,200.00			
Dividend due January 4, 1919..... 1,515,200.00	\$6,060,800.00		
Discount and expense of bond issues.....	962,141.63		
Difference between cost of property retired and not replaced and net value of salvage recovered	220,513.19		
Miscellaneous debits.....	26,887.40		
Net charges made by U. S. Government account prior years operation.....	1,502,341.27		
Balance December 31, 1918.....	23,953,583.63		
	\$32,726,267.12		\$32,726,267.12

LEHIGH VALLEY RAILROAD COMPANY

ADDITIONS AND BETTERMENTS

There was expended during the year for Additions and Betterments of road and equipment, including improvements on subsidiary properties owned by your Company, a total of \$1,731,368.25. The following is a classified statement of these expenditures:

	LINES OWNED IN FEE	LINES OF SUBSIDIARY COMPANIES OWNED	TOTAL
Engineering	\$15,830 71	\$16,620 51	\$32,451 22
Land for transportation purposes.....	1,706 67	32,460 19	34,166 86
Grading	*978 10	*68,167 99	*69,146 09
Bridges, trestles and culverts.....	13,632 11	178,991 81	192,623 92
Ties	*8,339 34	*14,347 42	*22,686 76
Rails	55,379 77	56,203 88	111,583 65
Other track material.....	142,844 17	135,144 58	277,988 75
Ballast	1,962 92	8,414 54	10,377 46
Track laying and surfacing.....	3,843 08	35,807 53	39,650 61
Snow and sand fences.....	594 34	9,710 04	10,304 38
Crossings and signs.....	1,320 79	217,391 60	218,712 39
Station and office buildings.....	13,022 50	41,410 97	54,433 47
Roadway buildings.....	13 93	3,010 85	3,024 78
Water stations.....	17,993 74	28,015 06	46,008 80
Fuel stations.....	15,725 94	115,155 42	130,881 36
Shops and engine houses.....	498,725 30	263,723 85	762,449 15
Grain elevators.....	.....	119 53	119 53
Wharves and docks.....	.....	*43,779 86	*43,779 86
Coal and ore wharves.....	.....	1,146 67	1,146 67
Telegraph and telephone lines.....	8,103 84	43,240 14	51,343 98
Signals and interlockers.....	22,970 76	68,852 80	91,823 56
Power dams, canals and pipe lines.....	47,324 68	.....	47,324 68
Power plant buildings.....	.....	71,438 76	71,438 76
Miscellaneous structures.....	.....	436 02	436 02
Roadway machines.....	.....	12,428 08	12,428 08
Assessments for public improvements.....	962 50	2,506 09	3,468 59
Other expenditures—road.....	38 71	3,366 71	3,405 42
Shop machinery.....	29,073 09	121,607 22	150,680 31
Power plant machinery.....	15,201 75	158,853 76	174,055 51
Steam locomotives.....	346,042 54	.....	346,042 54
Freight train cars.....	*194,019 68	*293 78	*194,313 46
Passenger train cars.....	*6,731 45	.....	*6,731 45
Floating equipment.....	.....	*859,866 15	*859,866 15
Work equipment.....	*14,896 98	*1,302 50	*16,199 48
General expenditures.....	11,097 81	54,623 24	65,721 05
Total.....	\$1,038,446 10	\$692,922 15	\$1,731,368 25

*Credit.

LEHIGH VALLEY RAILROAD COMPANY

FINANCIAL

The general balance sheet reflects the financial condition of the Company at the close of the year.

There was no change in the capital stock.

\$12,000,000 General Consolidated Mortgage 5% Bonds were issued and placed in the Company's treasury during the year, in accordance with the terms of the mortgage to reimburse the Company for expenditures made prior to June 30, 1913.

\$15,000,000 Ten-Year Collateral Trust 6% Gold Bonds were issued and sold September 1, 1918. They are secured by \$24,000,000 of Bonds that were in the Company's treasury. Under normal conditions it would not have been necessary to issue these Bonds, but not receiving any rental from the Railroad Administration and being unable to market long-term securities held in the Company's treasury on equitable terms, this was the only recourse.

The following obligations matured, were redeemed and cancelled during the year:

Collateral 4% Trust Bonds.....	\$1,000,000
Equipment Trust Series "L" Certificates.....	400,000
Equipment Trust Series "M" Certificates.....	200,000
Equipment Trust Series "O" Certificates.....	500,000
Equipment Trust Series "R" Certificates.....	400,000
	<hr/>
	\$2,500,000

The Wyoming Valley Water Supply Co., a subsidiary of your Company, issued \$118,900 par value common stock, which was purchased by and is held in the Treasury of your Company, the proceeds being used by the Wyoming Valley Water Supply Co. to purchase all of the capital stock of the Diamond Water Co.

\$479,000 Lehigh-Buffalo Terminal Railway Corporation Bonds held in the Treasury were sold.

\$46,200 par value capital stock of the Lehigh & Hudson River Railway Company was received as the result of a stock dividend declared in 1917 by that company.

\$2,000,000 United States Fourth Liberty Loan Bonds were subscribed for by your Company and are held by banks against loans for the same amount.

A mortgage of \$300,000 on an abattoir property located at Forty-third street and East River, New York, owned by the United Dressed Beef Company, held by your Company was paid off during the year.

At the close of the year your Company had in its Treasury the following securities of its own issue and which are not included in the list of unpledged securities on page 14:

Collateral Trust 4% Bonds.....	\$925,000
General Consolidated Mortgage Bonds.....	5,100,000
Equipment Trust Certificates "L".....	400,000
Equipment Trust Certificates "M".....	1,000,000
Equipment Trust Certificates "O".....	2,000,000
Equipment Trust Certificates "R".....	1,600,000

Under the Company's General Consolidated Mortgage, dated September 30, 1903, providing for the issue of bonds to the amount of \$150,000,000, bonds to the extent of \$34,000,000 were set aside to be issued against expenditures made for additions and betterments to the Company's property. Since that date the Company has expended for additions and betterments \$56,496,559.14, and has received \$26,000,000 of bonds, and is enti-

LEHIGH VALLEY RAILROAD COMPANY

tled to \$8,000,000 more to provide for the amount set aside for this purpose in the mortgage. This leaves \$22,496,559.14 expended out of current earnings on the property for additions and betterments for which no provision has been made to capitalize through the issuance of stocks or bonds.

TAXES

There was accrued during the year for taxes the sum of \$492,500, of which \$390,000 was war taxes. Taxes on property used for operating purposes are assumed by the Railroad Administration.

ROAD AND EQUIPMENT

Following are some of the additions and betterments to the property made during the year, the cost of which was charged wholly or in part to Road and Equipment Corporate Account:

ROAD—

The new boiler plant at Perth Amboy, including thawing platform to facilitate the handling of coal during the winter season, was completed.

The rebuilding of bridges on the Buffalo Division, new engine terminal facilities at Tifft Farm, N. Y., and East Buffalo, N. Y., and locomotive coaling station at Manchester, N. Y., were completed.

At Ashmore, near Hazleton, Pa., a new engine terminal, including a thirty-stall reinforced concrete roundhouse, is under construction.

9.95 miles of new company siding and 4.41 miles of new industrial sidings were constructed.

Passing sidings between Manchester, N. Y., and Farmington, N. Y., and at Rochester Junction, N. Y., and additional tracks at Coxton, Pa., repair yard were built. Additional tracks were also installed at Coxton for the handling of longer trains.

A thawing shed was erected in connection with fuel-mixing plant at Hazleton, Pa., and coal-crushing plants were constructed at Coxton, Pa., and Sayre, Pa. There is also a coal-crushing and mixing plant under construction at Manchester, N. Y.

Dwelling houses were provided for the use of section forces at Yale, Newfield and MacDougall, N. Y.

A house with facilities for rest, bathing and dining was erected at Coxton, Pa., for the accommodation of crews at that terminal. The building has been completely equipped and is operated by the Railroad Department of the Y. M. C. A.

Standard track scales, replacing scales of an obsolete type, were installed at Phillipsburg, N. J.; Packerton, Pa.; Sayre, Pa., and Tifft Farm, N. Y.

Two electric tractors and fifty trailers, complete with charging outfit, were added to the freight handling equipment in use on New York City piers.

A marine pile driver was purchased for use in making repairs to piers.

New water columns at Centralia and Wilkes-Barre, Pa., replaced columns of smaller size, and a water station with a capacity of 50,000 gallons was established on the Niagara Falls branch.

95.75 miles of road were equipped with electric-lighted, automatic signals of the three-position, upper-quadrant type, replacing two-position, two-blade, lower-quadrant, oil-lighted signals. Eleven additional signals were installed for protection at various points.

The interlocking plants at Pittston "Y." Pa.; Coxton, Pa., and Niagara Junction, N. Y., were renewed and equipped with electric locking. Upper-quadrant signals, as well as electric locking, were installed at Communipaw Avenue, Jersey City, N. J.; Lansdown, N. J., and Hazleton Junction, Pa.

LEHIGH VALLEY RAILROAD COMPANY

Extensive improvements were also made to the interlocking plants at Bethlehem, Pa.; Lehigh, Pa.; Penn Haven Junction, Pa., and Van Etten Junction, N. Y.

Four grade-crossings were protected by visible and audible crossing signals.

124,546 cubic yards of crushed stone were used in ballasting track.

345.51 miles of copper and 101.70 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

Five miles of new telegraph and telephone pole lines were erected, and 65 miles of pole lines rebuilt or reset.

EQUIPMENT—

One freight locomotive, ten 8000-gallon capacity tenders, one locomotive crane and one eight-wheel caboose were purchased.

In addition, nineteen Pacific type locomotives, thirty-six Santa Fe freight locomotives and ten 8000-gallon capacity tenders are still due from builders on orders.

Twelve ten-wheel freight locomotives were rebuilt.

FEDERAL OPERATION

The operation of the properties now in the hands of the Federal Government and their earnings and expenses do not affect the corporate results. As a matter of information, however, to stockholders, some of the more important facts concerning the Federal operation of your property are shown below.

REVENUE

The total operating revenue amounted to \$65,586,769.09.

The revenue from coal freight showed an increase of 18.2% over the previous year, which was due to increased tonnage and to the rate increases authorized by the Interstate Commerce Commission and the Director General of Railroads.

Merchandise freight revenue increased 28.4% as a result of the increase in rates and the movement of a greater quantity of long-haul freight; also a slight increase in the number of tons carried.

Passenger revenue increased 27.4%. This was due to the rate increase and to a large increase in troop movements, which more than offset a reduction in regular travel. The revenue from troop movements was \$1,515,333.46.

Other transportation revenue increased 47% as a result of increased earnings from switching, from the transportation of milk and from water transportation at the Atlantic seaboard.

It is estimated that the increased revenue resulting from rate advances that went into effect during the year 1918 was \$8,159,229.

EXPENSES

Total operating expenses amounted to \$57,346,025.43.

The expenditures for the maintenance of equipment amounted to \$17,004,250.51, an increase of \$7,004,640.73 as compared with the previous twelve months.

Upon maintenance of way and structures \$7,818,030.30 was expended.

Transportation expenses amounted to \$30,523,763.85.

The net operating revenue amounted to \$6,821,130.54.

LEHIGH VALLEY RAILROAD COMPANY

MISCELLANEOUS

To acquaint stockholders with what has been done with the property under Federal control there are incorporated in this report tabulations and statements similar to those contained in previous annual reports. Attention is particularly called to the increased trainload, amounting to 892.22 tons, or nearly 19%, which would seem to justify the expenditure made in the past for strengthening bridges, the purchase of larger engines and enlarged roundhouse facilities, but from which your Company will derive no benefit until the property is returned to the corporation.

On September 15, the use of the Jersey Central Terminal at Jersey City was discontinued by the Lehigh Valley and its through passenger trains were operated over the Pennsylvania Railroad from Newark Junction into New York City and local trains into the Jersey City Terminal of the Pennsylvania Railroad.

In order that Baltimore & Ohio passenger trains might reach the New York City Terminal of the Pennsylvania Railroad, beginning April 28, passenger trains of that company were routed over the tracks of the Lehigh Valley Railroad between Port Reading Junction and Newark Junction, a distance of 24.4 miles.

On September 1, Erie Railroad passenger trains began the use of the Lehigh Valley Terminal at Buffalo.

Passenger and freight station facilities of the Lehigh Valley and the D., L. & W. at Ithaca, N. Y., and Elmira, N. Y., were consolidated August 1, 1918.

There was paid out \$865,441.54 in loss and damage claims on freight during the year, an increase of \$74,797.41 over the preceding year.

The Police Department made 3505 arrests, obtaining convictions in 3425 cases, while 52 others were pending at the close of the year.

GENERAL REMARKS

During the year the United States Railroad Administration notified this Company that there had been allocated to it 3300 new cars, consisting of 1000 box cars, 1300 coal cars, 500 low-side gondolas and 500 drop-bottom gondolas, costing approximately \$9,647,600, for which this Company was expected to pay. Your Board promptly protested against any such action, and, after argument, the Administration cancelled its allocation of 1000 box cars, but insisted that the Company take the 2300 coal and gondola cars. A further protest was thereupon made and the Administration notified that the Company would not accept the equipment.

This Company's freight equipment consists of 42,988 cars, 98% of which are steel or steel underframe, and in excellent condition. It has a larger equipment for its gross business and per mile of road, with one exception (as to per mile of road), than any railroad in the eastern territory. During the year 1917, when it did the largest business in its history, both as to revenue and tonnage, its freight car hire showed a substantial credit balance; in other words, there was no shortage of cars at the mines located on its line and all local requirements were filled with fewer cars than it actually owned. No additional equipment was asked for in the 1918 budget made up by the Administration officials, as none was required. Paragraph (f) of Section 8 of its contract provides that the Director General shall not acquire any equipment at the expense or on the credit of the Company in excess of what, in his judgment, is necessary to provide for the traffic requirements of the road. Your Board claims that this judgment must be based on facts and not on theories, and the facts clearly show that the Company is fully equipped and has a large excess over the amount necessary to handle its traffic.

The many consolidations, combinations and pooling of facilities and equipment inaugurated by the Railroad Administration have resulted in the diversion to other routes of revenue-bearing traffic which your Company had enjoyed. Similarly the discontinuance of the solicitation of traffic has left your railroad without representation in important business producing centers where it previously had built up good will of great value. It is impossible to foresee the effect of these changes on the traffic and earnings of your Company

LEHIGH VALLEY RAILROAD COMPANY

after the roads are returned to their private owners. Wage increases, including back pay, granted by the Federal Administration to Lehigh Valley employes in the Transportation, Maintenance of Way and Equipment Departments, amounted to \$12,511,823.84, or 60% for the year.

As shown by the statements herewith, your Company's ownership of The Lehigh Valley Coal Company and other anthracite properties produced an income of \$2,390,472.94, being \$789,181.78 less than for the year 1917. The prospects of 1919 are not encouraging, due to the mild winter and decreased demand for coal on account of the cessation of many war activities.

At the close of the year the capital stock of your Company was held by 13,587 stockholders, of which 5231 were women, or 38½%. This is an increase of 1360 stockholders over a year ago.

Edward B. Smith, who served as a member of the Board of Directors of your Company for fourteen years, died on January 7, 1918. Arthur W. Sewall was elected to fill the vacancy.

F. L. Blendinger, Operating Vice-President, resigned to accept service with the United States Railroad Administration as Federal Manager of your properties under Federal control.

M. P. Blauvelt, Vice-President, resigned to accept appointment as Assistant Regional Director of the Allegheny Region of the United States Railroad Administration.

A. F. Bayfield was appointed Auditor, vice J. I. Morrison, General Auditor, transferred to the United States Railroad Administration.

C. J. Kulp, Treasurer, died March 23, 1918.

E. C. Mann was elected Treasurer to succeed him and later transferred to the United States Railroad Administration.

D. G. Baird, Secretary, was also elected Treasurer in place of Mr. Mann.

By order of the Board of Directors,

E. E. LOOMIS,
PRESIDENT.

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1918

LEHIGH VALLEY RAILROAD COMPANY

Table 1

GENERAL BALANCE SHEET

ASSETS		
INVESTMENTS:		
In road.....	\$26,471,232.57	
In equipment.....	61,894,869.31	
Improvements on leased railway property.....		\$88,366,101.88
Miscellaneous physical property.....		1,715,554.76
		2,026,065.99
Investments in affiliated companies:		
Stocks	\$55,170,324.47	
Bonds	23,966,926.00	
Notes	504,563.69	
Advances	8,349,845.51	
		87,991,659.67
Other investments:		
Stocks	\$298,069.00	
Bonds	2,167,050.00	
Miscellaneous	6,547.00	
		2,471,666.00
Total investments.....		182,571,048.30
CURRENT ASSETS:		
Cash	\$2,351,296.13	
Special deposits	42,222.25	
Traffic and car-service balances receivable.....	34,079.04	
Miscellaneous accounts receivable.....	11,671,878.27	
Rents receivable.....	5,454.68	
Interest and dividends receivable.....	27,855.41	
Other current assets.....	2,669.71	
Total current assets.....		14,135,455.49
DEFERRED ASSETS:		
Working fund advances.....	\$3,872.23	
Insurance and other funds.....	10,018.75	
Other deferred assets.....	23,873,023.45	
Total deferred assets.....		23,886,914.43
UNADJUSTED DEBITS:		
Rents and insurance premiums paid in advance.....	\$9,949.77	
Other unadjusted debits.....	523,105.68	
Total unadjusted debits.....		533,055.45
TOTAL ASSETS.....		\$221,126,473.67

1918

LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1918

LIABILITIES		
STOCK:		
Common stock.....	\$60,501,700.00	
Preferred stock.....	106,300.00	
Total stock outstanding.....		\$60,608,000.00
LONG-TERM DEBT:		
Funded debt.....	\$128,836,000.00	
Less—Funded debt held in treasury.....	31,925,000.00	
Total long-term debt outstanding.....		96,911,000.00
CURRENT LIABILITIES:		
Loans and bills payable.....	\$4,000,000.00	
Traffic and car-service balances payable.....	6,899.06	
Audited accounts and wages payable.....	136,350.74	
Miscellaneous accounts payable.....	10,647.05	
Interest matured unpaid.....	450,667.50	
Dividends matured unpaid.....	10,254.75	
Unmatured dividends declared.....	1,515,200.00	
Unmatured interest accrued.....	864,945.84	
Unmatured rents accrued.....	354,509.17	
Other current liabilities.....	85,891.47	
Total current liabilities.....		7,435,365.58
DEFERRED LIABILITIES:		
Other deferred liabilities.....	\$18 762,435.06	
Total deferred liabilities.....		18,762,435.06
UNADJUSTED CREDITS:		
Tax liability.....	\$681,188.87	
Accrued depreciation—Equipment.....	12,485,442.53	
Other unadjusted credits.....	289,458.00	
Total unadjusted credits.....		13,456,089.40
CORPORATE SURPLUS:		
Profit		23,953,583.63
TOTAL LIABILITIES.....		\$221,126,473.67

LEHIGH VALLEY RAILROAD COMPANY

Table 2

Statement of Securities of Affiliated Operated Companies Owned, December 31, 1918

KIND	PAR VALUE		
	PLEGDED	UNPLEGDED	TOTAL
STOCKS:			
Bay Shore Connecting Railroad Co.		\$27,900.00	\$27,900.00
Delaware, Susquehanna & Schuylkill Rail Road Co.	b \$1,500,000.00		1,500,000.00
Easton & Northern Railroad Co.	a 565,000.00		565,000.00
Lehigh-Buffalo Terminal Railway Corporation		50,000.00	50,000.00
Lehigh & New York Railroad Co.—Preferred	a 2,301,350.00		2,301,350.00
Lehigh Valley Harbor Terminal Railway Co.		100,000.00	100,000.00
Lehigh Valley Railroad Co. of New Jersey	a 12,506,000.00		12,506,000.00
Lehigh Valley Rail Way Co.	a 11,745,000.00		11,745,000.00
Lehigh Valley Transportation Co.	a 1,510,000.00		1,510,000.00
Loyalsock Railroad Co.	a 825,000.00		825,000.00
Montrose Railroad Co.		100,000.00	100,000.00
Morris Canal & Banking Co.—Consolidated		992,100.00	992,100.00
Morris Canal & Banking Co.—Preferred		1,139,900.00	1,139,900.00
Morris Canal & Banking Co.—Preferred Dividend Scrip		42,080.50	42,080.50
Pennsylvania & New York Canal & Railroad Co.	a 1,511,550.00		1,511,550.00
Schuylkill & Lehigh Valley Railroad Co.	a 2,000,000.00		2,000,000.00
Miscellaneous		8,500.00	8,500.00
Total	\$34,463,900.00	\$2,460,480.50	\$36,924,380.50
BONDS:			
Easton & Northern Railroad Co., First Mortgage		\$249,000.00	\$249,000.00
Easton & Northern Railroad Co., Debentures	a \$23,000.00		23,000.00
Greenville & Hudson Railway Co., First Mortgage		350,000.00	350,000.00
Irrington Railroad Co., First Mortgage		125,000.00	125,000.00
Lehigh-Buffalo Terminal Railway Corp'n, First Mortgage	d 4,000,000.00	79,000.00	4,079,000.00
Lehigh Valley Railroad Co. of N. J., Debentures	a 3,310,000.00		3,310,000.00
Lehigh Valley Rail Way Co., Debentures	a 6,643,000.00		6,643,000.00
Lehigh Valley Transportation Co., Debentures	a 730,000.00		730,000.00
Loyalsock Railroad Co., Debentures	a 35,000.00		35,000.00
Middlesex Valley Railroad Co., First Mortgage		400,000.00	400,000.00
Montrose Railroad Co., First Mortgage		100,000.00	100,000.00
Montrose Railroad Co., Debentures		12,000.00	12,000.00
Morris Canal & Banking Co., First Mortgage		500,000.00	500,000.00
Penna. & New York Canal & Railroad Co., Debentures	a 1,640,000.00		1,640,000.00
Rochester Southern Railroad Co., First Mortgage		425,000.00	425,000.00
Schuylkill & Lehigh Valley Railroad Co., First Mortgage		2,000,000.00	2,000,000.00
Schuylkill & Lehigh Valley Railroad Co., Debentures	a 6,000.00		6,000.00
Seneca County Railway, First Mortgage	d 2,600,000.00	500,000.00	2,600,000.00
Consolidated Real Estate Company, First Mortgage			
Total	\$18,987,000.00	\$4,740,000.00	\$23,727,000.00
Grand Total	\$53,450,900.00	\$7,200,480.50	\$60,651,380.50
Book value of the above securities	\$47,209,779.38	\$7,335,625.16	\$54,545,404.54

NOTE: As the income from the operation of these properties is included in the Income Account of the Lehigh Valley Railroad Co., no dividends or interest is received on these securities.

Statement of Other Securities Owned

KIND	PAR VALUE			DIVIDENDS AND INTEREST RECEIVED
	PLEGDED	UNPLEGDED	TOTAL	
STOCKS :				
Buffalo Creek Railroad Co.				
Coxe Brothers & Co., Incorporated		\$125,000.00	\$125,000.00	\$8,750.00
Highland Coal Co.	b \$2,910,150.00		2,910,150.00	292,970.00
Lehigh & Hudson River Railway Co.		120,000.00	120,000.00	19,200.00
Lehigh Valley Coal Co.		209,300.00	209,300.00	12,558.00
National Storage Co.	a 9,465,000.00		9,465,000.00	2,029,649.94
New York & Middle Coal Field Railroad & Coal Co.	a 2,400,000.00		2,400,000.00	
Philadelphia Grain Elevator Co.	a 1,216,325.00		1,216,325.00	48,653.00
Philadelphia Harbor Transfer		164,000.00	164,000.00	9,840.00
Wyoming Valley Water Supply Co.		40,000.00	40,000.00	4,000.00
Miscellaneous		1,686,900.00	1,686,900.00	118,083.00
Total	c 15,000.00	12,984.00	27,984.00	3,074.50
	\$16,006,475.00	\$2,358,184.00	\$18,364,659.00	\$2,546,778.44
BONDS :				
Lehigh & Hudson River Railway Co., 4% Debentures				
National Storage Co., 5% Debentures	a \$755,000.00	\$34,000.00	\$34,000.00	\$1,360.00
Total	\$755,000.00		755,000.00	6,291.67
OTHER SECURITIES				
Grand Total	\$2,000,000.00	\$34,000.00	\$789,000.00	\$7,651.67
Book value of the above securities	\$2,000,000.00	\$644,160.69	\$2,644,160.69	\$47,112.63
a Pledged as collateral under Lehigh Valley Railroad Co. General Consolidated Mortgage of September 30, 1903.	\$18,761,475.00	\$3,036,344.69	\$21,797,819.69	\$2,601,542.74
b Pledged as collateral under Lehigh Valley Railroad Co. Collateral Trust Agreement of November 1, 1905.	\$24,751,855.93	\$2,816,219.69	\$27,568,075.62	
c Pledged under Mutual Terminal Co. of Buffalo, Trust Agreement, dated January 2, 1905.				
d Pledged under 10-year Collateral Trust Agreement dated August 31, 1918.				

The Book value of the securities of \$82,113,480.16 is carried on the balance sheet as follows:
Investments in Affiliated Companies—Stocks, Bonds and Notes
Other Investments—Stocks, Bonds and Miscellaneous

\$79,641,814.16
2,471,666.00

LEHIGH VALLEY RAILROAD COMPANY
Statement of Funded Debt, December 31, 1918

Table 3

DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OF THE COMPANY OR PLEGDED	IN HANDS OF THE PUBLIC	INTEREST		
					RATE	PAYABLE	ACCRUED DURING THE YEAR
LEHIGH VALLEY RAILROAD COMPANY: First Mortgage Bonds.....	May 15, 1868	June 1, 1948 Dec. 1, 1923		\$5,000,000	4%	June and Dec.	\$200,000.00
Consolidated Mortgage Bonds.....	Nov. 13, 1873	Perpetual		5,638,000	6%	June and Dec.	338,280.00
		Dec. 1, 1923		10,062,000	6%	June and Dec.	603,720.00
		Perpetual		4,762,000	4½%	June and Dec.	214,290.00
				2,538,000	4½%	June and Dec.	114,210.00
*General Consolidated Mortgage Bonds.....	Sept. 30, 1903	May 1, 2003	{ ‡ \$13,000,000 ‡ 1,000,000 ‡ 12,000,000	26,639,000	4%	May and Nov.	1,065,560.00
				20,697,000	4½%	May and Nov.	931,365.00
Collateral Trust Bonds.....	Nov. 1, 1905	{ \$500,000 semi- annually to Feb. 1, 1926	925,000	6,575,000	4%	Feb. and Aug.	276,333.34
Collateral Trust Bonds (Ten Year).....	Sept. 1, 1918	Sept. 1, 1928		15,000,000	6%	Mar. and Sept.	295,000.00
Equipment Trust Certificates, Series "L".....	Oct. 15, 1913	Oct. 1, 1919	400,000		4½%	April and Oct.	
Equipment Trust Certificates, Series "M".....	Mar. 9, 1914	Mar. 1, 1923	1,000,000		4½%	Mar. and Sept.	
Equipment Trust Certificates, Series "O".....	Mar. 10, 1916	Sept. 1, 1922	2,000,000		4½%	Mar. and Sept.	
Equipment Trust Certificates, Series "R".....	Sept. 29, 1916	Oct. 1, 1922	1,600,000		4½%	April and Oct.	
Total Funded Debt and Interest.....			\$31,925,000	\$96,911,000			\$4,038,758.34

* Amount of authorized issue \$150,000,000.

† Excludes interest on securities in the Treasury.

‡ Pledged under Ten-Year 6% Collateral Trust Agreement of August 31, 1918.

‡ Pledged under Ten-Year 6% Collateral Trust Agreement of August 31, 1918.

Table 4

Guaranties and Rentals, Year Ended December 31, 1918

GUARANTIES	DATE OF ISSUE	DATE OF MATURITY	IN HANDS OF THE PUBLIC	GUARANTIES AND RENTALS		
				RATE	PAYABLE	ACCRUED DURING THE YEAR
ENTIRE CAPITAL STOCK OWNED:						
Lehigh Valley Terminal Railway Co., First Mortgage Bonds.....	Oct. 1, 1891	Oct. 1, 1941	\$10,000,000	5%	April and Oct.	\$500,000.00
Easton & Amboy Railroad Co., First Mortgage Bonds.....	April 13, 1880	May 1, 1920	6,000,000	5%	May and Nov.	300,000.00
Easton & Northern Railroad Co., First Mortgage Bonds.....	Oct. 7, 1895	Nov. 1, 1935	51,000	4½%	May and Nov.	2,295.00
Penna. & N. Y. Canal & Railroad Co., Consolidated Mortgage Bonds.....	Nov. 13, 1888	April 1, 1939	{ 4,000,000 1,500,000 3,000,000	5% 4½% 4%	April and Oct. April and Oct. April and Oct.	200,000.00 67,500.00 120,000.00
The Lehigh Valley Rail Way Co., First Mortgage Bonds.....	June 23, 1890	July 1, 1940	15,000,000	4½%	Jan. and July	675,000.00
Middlesex Valley Railroad Co., First Mortgage Bonds.....	Aug. 26, 1892	Nov. 1, 1942	200,000	5%	May and Nov.	10,000.00
The Lehigh & Lake Erie Railroad Co., First Mortgage Bonds.....	Mar. 1, 1907	Mar. 1, 1957	3,000,000	4½%	Mar. and Sept.	135,000.00
Lehigh-Buffalo Terminal Railway Corp'n, First Mortgage Bonds.....	Nov. 1, 1916	Nov. 1, 1966	921,000	4½%	May and Nov.	33,553.98
MAJORITY CAPITAL STOCK OWNED:						
Lehigh & New York Railroad Co., First Mortgage Bonds.....	Aug. 24, 1895	Sept. 1, 1945	2,000,000	4%	Mar. and Sept.	80,000.00
Morris Canal and Banking Co.....						6,326.00
Total.....			\$45,672,000			\$2,129,674.98
RENTALS—LINES NOT OWNED:						
State Line and Sullivan Railroad Co.....						40,000.00
Raritan Terminal and Transportation Co.....						2,000.00
New York Central Railroad Co.....						11,662.02
Total Interest and Rentals.....						\$2,183,337.00

1918

LEHIGH VALLEY RAILROAD COMPANY

Table 5

EQUIPMENT (Entire System)

Year Ended December 31, 1918

	1918
LOCOMOTIVES:	
Tractive power (pounds).....	‡997
	36,620,544
PASSENGER EQUIPMENT:	
Passenger	281
Combined passenger and baggage.....	48
Combined baggage and mail.....	25
Baggage and express.....	186
Dining	12
Kitchen	1
Library buffet	3
Postal	3
Milk	135
Total	694
FREIGHT EQUIPMENT:	
Box	17,356
Coal	18,087
Gondola	3,429
Flat	103
Produce	9
Refrigerator	1,273
Automobile	1,753
Ice	493
Well	3
Gun and armor.....	5
Set of gun and armor trucks.....	1
Cabooses	476
Total	\$42,988
WORK EQUIPMENT:	
Air-brake instruction	1
Air-dump	100
Box	1
Derrick	38
Flat	30
Gondola	94
Grading	15
Hospital	2
Locomotive cranes.....	45
Motor	4
Official	6
Pile driver.....	2
Pole	6
Scale test	3
Snow hangers.....	17
Snow plows.....	10
Spreader	4
Steam shovels.....	4
Tank	1
Tool	38
Tunnel	4
Unloader	1
Water	7
Workmen's	381
Total	814
*FLOATING EQUIPMENT:	
Lake steamers.....	2
Tugs	20
Steam lighters.....	6
Barges	241
Car floats.....	31
Cattle boats.....	3
Service boats.....	4
Total	307

*Does not include Morris Canal & Banking Company's equipment.

‡56 Locomotives under contract—19 Pacifics and 36 Santa Fes.

§Equals approximately 30 cars per mile of road, exceeding the general average.

LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION

Mileage of Road and Track Operated, December 31, 1918

Table 1

By Corporate Ownership

	MILES OF ROAD	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS & SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD COMPANY.....	316.64	186.93	43.79	29.99	330.39	907.74
CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK:						
Lehigh Valley Railroad Company of New Jersey.....	122.99	92.15	37.85	13.07	287.15	553.21
Pennsylvania and New York Canal and Railroad Company.....	135.99	98.06	4.78	2.03	222.63	463.49
The Lehigh Valley Rail Way Company.....	514.22	196.82	15.82		336.17	1,063.03
Lehigh-Buffalo Terminal Railway Corporation.....	.68	.68			4.56	5.92
The Delaware, Susquehanna and Schuylkill Rail Road Company.....	21.11				14.94	36.05
Easton and Northern Railroad Company.....	12.78				5.40	18.18
The Schuylkill and Lehigh Valley Railroad Company.....	41.84				8.22	50.06
Loyalsock Railroad Company.....	50.17				8.33	58.50
Montrose Railroad Company.....	27.36				4.03	31.39
National Storage Company.....					8.92	8.92
Total.....	927.14	387.71	58.45	15.10	900.35	2,288.75
CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK AND LEASE:						
Lehigh and New York Railroad Company.....	115.37				38.90	154.27
OPERATED UNDER LEASE:						
State Line and Sullivan Railroad Company.....	24.06				3.59	27.65
Hayts Corners, Ovid and Willard Railroad Company.....	2.98				.20	3.18
New York Central Railroad Company.....					12.65	12.65
Raritan Terminal and Transportation Company.....	.59				.01	.60
Morris Canal and Banking Company.....					1.03	1.03
Total.....	27.63				17.48	45.11
TRACKAGE RIGHTS:						
Pennsylvania Railroad Company.....	1.84					1.84
Peoples Railway Company.....	3.47					3.47
Delaware and Hudson Company.....	1.67	1.61			.66	3.94
Erie and Wyoming Valley Railroad Company.....	.88					.88
Lehigh and New England Railroad Company.....	.44				.74	1.18
Susquehanna and New York Railroad Company.....	4.00					4.00
Lehigh and Wilkes-Barre Coal Company.....	1.00					1.00
Mountain Spring Water Ice Company.....	.62				.22	.84
John C. Haddock Estate.....	.50					.50
Middle Lehigh Coal Company.....	2.42					2.42
Central Railroad Company of New Jersey.....	6.73	6.65				13.38
New York, Ontario and Western Railroad Company.....	.10					.10
Western New York and Pennsylvania Railway Company.....	.34					.34
Erie Railroad Company.....					1.52	1.52
New York Central Railroad Company.....	25.35	14.29				39.64
Total.....	49.36	22.55			3.14	75.05
Grand Total.....	1,436.14	597.19	102.24	45.09	1,290.26	3,470.92
MILEAGE BY STATES:						
Pennsylvania.....	646.82	286.55	48.57	32.02	599.10	1,613.06
New York.....	659.04	211.79	15.82		395.41	1,282.06
New Jersey.....	130.28	98.85	37.85	13.07	295.75	575.80
Total.....	1,436.14	597.19	102.24	45.09	1,290.26	3,470.92

LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION
INCOME STATEMENT

For the Year Ended December 31, 1918

Table 2

AVERAGE MILES OF ROAD OPERATED.....	1918	PERCENTAGE OF OPERATING REVENUES	1917	PERCENTAGE OF OPERATING REVENUES	INCREASE	DECREASE
OPERATING REVENUES:	1,441.20		1,442.94			1.74
Anthracite coal freight revenue.....	\$21,225,340.90	32	\$18,201,494.86	34	\$3,023,846.04	
Bituminous coal freight revenue.....	2,892,992.27	5	2,200,731.48	4	692,260.79	
Merchandise freight revenue.....	29,155,589.96	44	22,705,556.04	43	6,450,033.92	
Passenger revenue.....	6,234,935.31	10	4,894,989.68	9	1,339,945.63	
Mail revenue.....	161,867.88	—	218,162.19	—		\$56,294.31
Express revenue.....	1,350,664.14	2	977,190.48	2	373,473.66	
Other transportation revenue.....	2,324,851.28	4	1,581,724.77	3	743,126.51	
Transportation revenue—water lines.....	743,349.77	1	1,170,022.56	2		426,672.79
Incidental revenue.....	1,497,177.58	2	1,408,573.93	3	88,603.65	
Total Operating Revenue.....	\$65,586,769.09	100	\$63,358,445.99	100	\$12,228,323.10	
OPERATING EXPENSES:						
Maintenance of way and structures.....	\$7,818,030.30	12	\$5,353,466.06	10	\$2,464,564.24	
Maintenance of equipment.....	17,004,250.51	26	9,999,609.78	19	7,004,640.73	
Traffic expenses.....	654,981.76	1	1,013,394.59	2		\$358,412.83
Transportation expenses—rail.....	30,009,869.77	45	23,343,164.95	43	6,666,704.82	
Transportation expenses—water lines.....	513,894.08	1	798,534.15	2		284,640.07
Miscellaneous operations.....	174,813.96	—	191,809.78	—		16,995.82
General expenses.....	1,189,733.81	2	1,147,266.92	2	42,466.89	
Transportation for investment—Cr.....	19,548.76	—	21,080.25	—	1,531.49	
Total Operating Expenses.....	\$57,346,025.43	87	\$41,826,165.98	78	\$15,519,859.45	
NET OPERATING REVENUE.....	\$8,240,743.66		\$11,532,280.01			\$3,291,536.35
Railway tax accruals.....	1,874,237.05		1,953,954.20			79,717.15
Uncollectible railway revenues.....	2,124.58		2,329.98			205.40
Total Tax Accruals, etc.....	\$1,876,361.63		\$1,956,284.18			\$79,922.55
OPERATING INCOME.....	\$6,364,382.03		\$9,575,995.83			\$3,211,613.80
OTHER INCOME:						
Hire of equipment { Rolling.....	\$139,562.74		\$393,139.34			\$253,576.60
Joint facility rent income { Floating.....	153,515.18		86,152.53		\$67,362.65	
Income from unfunded securities, etc.....	333,575.53		300,621.03		32,954.50	
Total Other Income.....	\$764,470.99		\$779,912.90		137,817.54	
TOTAL INCOME.....	\$7,128,853.02		\$10,355,908.73			\$15,441.91
DEDUCTIONS FROM INCOME:						\$3,227,055.71
Hire of equipment { Rolling.....	\$45,896.83		\$86,642.54			\$40,745.71
Joint facility rents { Floating.....	35,737.55		357,353.06			321,615.51
Total Deductions From Income.....	\$26,088.10		223,441.88		\$2,646.22	
NET INCOME.....	\$307,722.48		\$667,437.48			\$359,715.00
	\$6,821,130.54		\$9,688,471.25			\$2,867,340.71

Table 3
LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION
 Operating Revenues and Expenses, by Months, for the Year Ended December 31, 1918
RAILWAY OPERATING REVENUES

MONTHS	Coal Freight	Merchandise Freight	Passenger	Mail	Express	Other Passenger Train	Other Transportation	Incidental	TOTAL RAILWAY OPERATING REVENUES
January	\$1,336,478.00	\$1,175,513.43	\$324,235.12	\$10,736.87	\$59,303.85	\$71,918.79	\$74,518.69	\$143,183.52	\$3,195,888.47
February	1,382,781.97	1,208,025.22	314,814.21	13,747.20	85,685.26	67,825.15	106,939.84	78,070.54	3,257,889.39
March	1,788,751.63	2,155,726.87	391,584.41	13,579.90	93,025.33	75,682.98	121,628.53	99,992.45	4,739,972.12
April	1,802,264.37	2,083,015.46	369,969.51	13,587.37	84,706.90	77,471.10	148,467.07	121,139.49	4,700,621.27
May	1,953,996.83	2,500,647.41	495,210.64	13,509.40	107,681.12	88,725.89	152,700.69	137,073.12	5,449,545.10
June	2,281,065.62	2,467,747.27	589,936.02	13,561.42	87,996.86	96,377.00	176,589.43	138,331.01	5,851,604.63
July	2,427,234.68	2,922,975.78	759,618.39	18,022.95	80,958.73	112,145.56	277,317.41	132,190.30	6,730,463.80
August	2,583,852.51	2,886,422.19	962,464.94	13,612.70	105,552.67	108,150.36	248,261.73	143,658.36	7,051,975.46
September	2,370,826.64	2,835,527.25	631,544.27	10,197.62	168,297.44	97,956.63	176,438.72	117,081.92	6,407,870.49
October	2,339,791.57	2,942,397.16	461,472.69	14,009.39	147,905.15	98,785.33	170,723.69	117,437.31	6,292,522.29
November	2,021,013.11	3,015,306.58	422,060.51	13,656.10	164,273.31	97,492.68	151,566.53	129,004.12	6,014,372.94
December	1,830,276.24	2,962,285.34	512,024.38	13,646.96	165,277.52	100,884.05	169,633.20	140,015.44	5,894,043.13
Total	\$24,118,333.17	\$29,155,589.96	\$6,234,935.31	\$161,867.88	\$1,350,664.14	\$1,093,415.52	\$1,974,785.53	\$1,497,177.58	\$65,586,769.09

MONTHS	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation	Miscellaneous Operations	General	Transportation for Investment—Cr	TOTAL RAILWAY OPERATING EXPENSES	NET REVENUE FROM RAILWAY OPERATIONS
January	\$526,897.33	\$993,052.47	\$71,154.26	\$2,330,047.25	\$12,629.58	\$88,335.68	\$2,654.02	\$4,019,462.55	* \$823,574.08
February	399,507.75	883,790.72	71,615.25	2,161,598.28	12,084.88	95,212.49	1,235.90	3,622,573.47	* 364,684.08
March	414,745.11	1,055,343.61	54,536.15	2,360,535.05	11,858.44	87,536.59	1,087.86	3,983,467.09	756,505.03
April	468,028.75	1,095,989.45	67,683.64	2,261,702.98	12,493.68	94,730.18	598.14	4,000,030.54	700,590.73
May	483,701.47	1,031,782.10	66,926.31	2,199,429.71	15,541.63	86,794.87	897.12	3,883,278.97	1,566,266.13
June	767,607.14	1,990,581.29	66,127.39	3,653,456.71	21,398.64	173,164.01	634.88	6,671,700.30	* 820,095.67
July	716,304.39	1,490,552.70	42,769.24	2,502,635.12	16,318.98	85,773.12	875.44	4,853,478.11	1,876,985.69
August	770,464.04	1,930,018.09	52,244.73	2,449,961.92	15,006.85	77,890.92	1,442.04	5,294,144.51	1,757,830.95
September	739,429.06	1,726,068.30	39,364.00	2,502,975.33	14,673.11	81,166.55	2,212.27	5,101,464.08	1,306,406.41
October	824,159.98	1,603,309.20	41,508.40	2,714,222.10	14,621.96	107,303.12	3,362.25	5,301,762.51	990,759.78
November	899,245.82	1,486,915.96	34,750.38	2,523,347.96	18,068.77	112,597.41	2,051.38	5,072,874.92	941,498.02
December	807,939.46	1,716,846.62	46,302.01	2,863,851.44	10,117.44	99,228.87	2,497.46	5,541,788.38	352,254.75
Total	\$7,818,030.30	\$17,004,250.51	\$654,981.76	\$30,523,763.85	\$174,813.96	\$1,189,733.81	\$19,548.76	\$57,346,025.43	\$8,240,743.66

* Debit.

LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION

Table 4

General Operating Results for the Years Ended December 31, 1918 and 1917

	1918	1917	INCREASE	DECREASE	PER CENT
TRAIN AND LOCOMOTIVE MILEAGE					
Revenue freight train miles	7,583,231	8,448,887		865,656	10.25
Revenue passenger train miles.....	2,853,756	3,866,365		1,012,609	26.19
Revenue milk and express train miles.....	1,104,213	1,079,380	24,833		2.30
Revenue mixed train miles.....	171,610	118,152	53,458		45.25
Revenue special train miles.....	4,024	3,882	142		3.66
Total revenue service train miles.....	11,716,834	13,516,666		1,799,832	13.32
Helping and light freight locomotive miles.....	2,362,360	2,365,942		3,582	0.15
Helping and light passenger locomotive miles.....	381,478	479,513		98,035	20.45
Helping and light mixed locomotive miles.....	8,173	1,921	6,252		325.46
Helping and light special locomotive miles	426	158	268		169.62
Total revenue service locomotive miles, excluding switching	14,469,271	16,364,200		1,894,929	11.58
Switching locomotive miles	6,331,386	5,854,782	476,604		8.14
Total revenue service locomotive miles.....	20,800,657	22,218,982		1,418,325	6.38
Non-revenue service locomotive miles.....	797,570	576,629	220,941		38.32
Per cent of helping and light mileage to revenue train mileage	23.49	21.07	2.42		11.49
CAR MILEAGE					
Freight car miles—loaded	216,437,811	228,994,722		12,556,911	5.48
Freight car miles—empty	98,973,507	96,231,720	2,741,787		2.85
Freight car miles—caboose	8,028,521	8,346,448		317,927	3.81
Total freight car miles.....	323,439,839	333,572,890		10,133,051	3.04
Average number of loaded freight cars per train mile.....	27.91	26.73	1.18		4.41
Average number of empty freight cars per train mile.....	12.76	11.23	1.53		13.62
Average number of all freight cars per train mile.....	41.71	38.94	2.77		7.11
Per cent of loaded car mileage to total car mileage.....	66.92	68.65		1.73	2.52
Per cent of empty car mileage to total car mileage.....	30.60	28.85	1.75		6.07
Per cent of caboose car mileage to total car mileage.....	2.48	2.50		.02	.01
Passenger car miles—including Pullman.....	14,475,972	17,184,369		2,708,397	15.76
Baggage, dining, mail, express and milk car miles.....	13,474,258	15,776,204		2,301,946	14.59
Total passenger car miles.....	27,950,230	32,960,573		5,010,343	15.20
Average number of passenger cars per train mile.....	6.77	6.51	.26		4.00
Special revenue service car miles.....	22,027	19,525	2,502		12.81
Non-revenue service car miles.....	2,055,153	2,168,993		113,840	5.25

LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION

Table 5

General Traffic Results for the Years Ended December 31, 1918 and 1917

	1918	1917	INCREASE	DECREASE	PER CENT
Average miles of road operated.....	1,441.20	1,442.94		1.74	.12
FREIGHT TRAFFIC					
Tons of revenue freight carried.....	37,250,739	35,296,643	1,954,096		5.54
Tons of company freight carried	3,105,031	3,345,611		240,580	7.19
Tons of all freight carried.....	40,355,770	38,642,254	1,713,516		4.43
Tons of revenue coal carried one mile.....	2,886,241,385	2,850,619,367	35,622,018		1.25
Tons of revenue merchandise carried one mile.....	4,032,808,586	3,579,816,362	452,992,224		12.65
Tons of company freight carried one mile.....	217,831,157	232,415,577		14,584,420	6.28
Tons of all freight carried one mile.....	7,136,881,128	6,662,851,306	474,029,822		7.11
Tons of revenue freight carried one mile per mile of road	4,800,895	4,456,482	344,413		7.73
Average distance revenue freight carried—in miles....	185.74	182.18	3.56		1.95
Revenue from freight.....	\$53,273,923.13	\$43,107,782.38	\$10,166,140.75		23.58
Average revenue per tons carried	\$1.43-014	\$1.22-130	\$0.20-884		17.10
Average revenue per ton per mile—in cents.....	.770	.670	.100		14.93
Freight revenue per mile of road operated.....	\$36,964.98	\$29,874.97	\$7,090.01		23.73
Freight revenue per revenue freight train mile.....	\$6.86-976	\$5.03-182	\$1.83-794		36.53
Tons of revenue freight carried per revenue freight train mile	892.22	750.60	141.62		18.87
Tons of all freight carried per revenue freight train mile	920.31	777.73	142.58		18.33
Tons of all freight carried per revenue service locomotive mile, excluding switching miles.....	704.85	609.32	95.53		15.68
Average number of tons of all freight in each loaded car	32.97	29.10	3.87		13.30
PASSENGER TRAFFIC					
Revenue passengers carried	7,629,888	7,136,491	493,397		6.91
Revenue passengers carried one mile	270,388,327	243,924,392	26,463,935		10.85
Revenue passengers carried one mile per mile of road	187,613	169,047	18,566		10.98
Average distance carried—in miles.....	35.44	34.18	1.26		3.69
Revenue from passengers	\$6,234,935.31	\$4,894,989.68	\$1,339,945.63		27.37
Average revenue per passenger—in cents	81.717	68.591	13.126		19.14
Average revenue per passenger per mile—in cents....	2.306	2.007	.299		14.90
Average revenue from passengers per passenger train mile (excluding milk and express).....	\$2.06-089	\$1.22-850	\$0.83-239		67.76
Passenger service train revenue	\$8,840,882.85	\$6,981,411.36	\$1,859,471.49		26.63
Passenger service train revenue per mile of road.....	\$6,134.39	\$4,838.32	\$1,296.07		26.79
Passenger service train revenue per train mile (including milk and express).....	\$2.14-087	\$1.37-866	\$0.76-221		55.29
Average revenue passengers per car mile.....	19	14	5		35.71
Average revenue passengers per train mile (including mixed)	89	61	28		45.90
REVENUES AND EXPENSES					
Freight and passenger revenue	\$59,508,858.44	\$48,002,772.06	\$11,506,086.38		23.97
Freight and passenger revenue per mile of road.....	\$41,291.19	\$33,267.34	\$8,023.85		24.12
Total operating revenues	\$65,586,769.09	\$53,358,445.99	\$12,228,323.10		22.92
Total operating revenues per mile of road.....	\$45,508.43	\$36,978.98	\$8,529.45		23.07
Operating expenses	\$57,346,025.43	\$41,826,165.98	\$15,519,859.45		37.11
Ratio of operating expenses to operating revenues....	87.45%	78.39%	9.06%		11.56
Operating expenses per mile of road.....	\$39,790.46	\$28,986.77	\$10,803.69		37.27
Net operating revenue	\$8,240,743.66	\$11,532,280.01		\$3,291,536.35	28.54
Net operating revenue per mile of road.....	\$5,717.97	\$7,992.21		\$2,274.24	28.45

LEHIGH VALLEY RAILROAD—FEDERAL ADMINISTRATION

Table 6

Classification of Tonnage for the Years Ended December 31, 1918 and 1917

COMMODITY	1918		1917	
	Tons	PER CENT	Tons	PER CENT
PRODUCTS OF AGRICULTURE:				
Grain	848,880	2.29	1,621,611	4.59
Flour	960,579	2.59	811,140	2.30
Other mill products.....	284,406	.76	216,516	.61
Hay	213,216	.57	216,080	.61
Tobacco (unmanufactured).....	15,558	.02	9,169	.03
Cotton (unmanufactured).....	42,981	.12	28,943	.08
Fruits and vegetables.....	264,626	.71	176,318	.50
Other agricultural products.....	135,201	.36	107,046	.30
PRODUCTS OF ANIMALS:				
Live stock.....	57,964	.16	102,710	.29
Dressed meats.....	361,861	.97	197,013	.56
Other packing-house products.....	56,675	.15	76,449	.22
Poultry, game and fish.....	29,960	.08	23,991	.07
Wool	15,891	.04	12,630	.04
Hides and leather.....	54,609	.15	64,999	.18
Other products of animals.....	140,940	.38	117,520	.33
PRODUCTS OF MINES:				
Ores	2,368,088	6.36	1,792,609	5.08
Stone, sand and other like articles.....	1,508,308	4.05	1,729,730	4.90
Anthracite coal (net tons).....	15,522,953	41.67	14,916,894	42.26
Bituminous coal and coke.....	4,726,049	12.69	3,784,672	10.72
PRODUCTS OF FOREST:				
Lumber	649,991	1.74	548,061	1.55
Bark	14,371	.04	16,613	.05
Other products of the forest.....	299,076	.80	247,510	.70
MANUFACTURES:				
Petroleum and other oils.....	584,249	1.57	525,922	1.49
Sugar and glucose.....	171,530	.46	185,255	.52
Iron—pig and bloom.....	551,724	1.48	548,147	1.55
Iron and steel rails.....	386,982	1.04	514,262	1.46
Castings and machinery.....	296,404	.80	291,156	.83
Bar and sheet metal.....	398,874	1.07	360,238	1.02
Cement, brick and lime.....	985,316	2.64	1,291,064	3.66
Agricultural implements.....	26,364	.07	23,880	.07
Wagons, carriages, tools, etc.....	85,050	.23	73,825	.21
Wines, liquors and beers.....	58,781	.16	65,943	.19
Household goods and furniture.....	30,939	.08	31,124	.09
Copper and lead—pig.....	536,750	1.44	482,566	1.37
Salt	315,231	.85	305,544	.87
MISCELLANEOUS	4,250,362	11.41	3,779,493	10.70
Total revenue tonnage.....	37,250,739	100.00	35,296,643	100.00

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